PROGRAM ADMINISTRATION–PART II

Project Set-Up

Request for Payment

Project Completion

Monitoring

Long-Term Compliance

Close Out

PROJECT SET-UP

- ◆ Set-up Report
- ◆ Documentation Requirements

PROJECT SET-UP

- Submitted when funds are reserved
- Reserves funds in IDIS (HUD's *Integrated Disbursement & Information System*)
  - Project individually identified by the 4-digit number assigned by IDIS
- Minimum amount per address (project): $1,000

SET-UP REPORTS

- Homebuyer Assistance
  - Exhibit 3-K
    - Complete page 1 (top of form; sections A & C)
- Homeowner Rehab
  - Exhibit 3-L
    - Complete page 1 (top of form; sections A & B)

SET-UP DOCUMENTATION

- ◆ Checklists – "Submit with Set-Up Report"
  - Homebuyer Assistance–<u>NO</u> rehab
    - Exhibit 3-A.1
  - Homebuyer Assistance–<u>WITH</u> rehab
    - Exhibit 3-A.2
  - Homeowner Rehab
    - Exhibit 3-A.3

REQUEST FOR PAYMENT

◆ Request for Payment Form & Instructions

◆ Documentation Requirements

REQUEST FOR PAYMENT

- Complete & submit complete Exhibit 3-D
  - Computer-generated report O.K., **IF** the same info
- Funds may not be drawn in advance of need
  - ALL funds must be expended within 15 days of receipt or returned to MDOC
- Minimum draw request: $100
- Whole dollar amounts

"REQUEST FOR PAYMENT" FORM

- Part 1–Request for Payment

- Part 2–Status of Funds

- Part 3–Project Activity Summary

- Part 4–Contract Reporting

- Part 5–Local Certification

- Part 6–MDOC Certification

REQUEST FOR PAYMENT FORM: PART 1

Request for Payment:

- Qualified entity information
- Bank information
  - Needs to match information on Designation of Depository (Exhibit 3-B2)
- Include the district for which the funds are drawn

REQUEST FOR PAYMENT FORM: PART 2

Match Activity:

◆ A minimum match amount = 5% of project costs

◆ Must be from a non-federal source (See Exhibit 3-G for match documentation info)

◆ Must be documented on each draw for **each** homebuyer or homeowner assisted

REQUEST FOR PAYMENT FORM: PART 2

Soft Costs:

- Homebuyer Assistance: actual documented costs, not to exceed $1,500 per household
- Homeowner Rehab: actual documented costs, not to exceed 12% of the cost of the rehab
- Due to federal regulations, documentation is required for all soft costs

REQUEST FOR PAYMENT FORM: PART 2

Project Activity Costs:

◆ Actual cost of assistance provided

- Drawn all at one time, e.g., down payment & closing costs
- Drawn incrementally, e.g. construction costs for rehab

REQUEST FOR PAYMENT FORM: PART 2

Program Income Summary:

- ◆ Program Income on Hand (box 15D) should be used to fund current activity unless prior approval has been obtained from MDOC to do otherwise

REQUEST FOR PAYMENT FORM: PART 3

Project Activity Summary:

- Summarizes the project(s) within a district by IDIS activity number

- Each address will have a separate IDIS activity number and line in Part 3

- Include information on program income used and match provided

REQUEST FOR PAYMENT FORM: PART 4

Contract Reporting:

- ◆ Doing rehab?

- ◆ Paying a contractor?

- ◆ Fill out Part 2

- ◆ Complete Exhibits 3-H & 3-I

REQUEST FOR PAYMENT FORM: PART 5

Local Certification:

◆ Two (2) signatures required

◆ Must be identified on the notarized *Signature Certification Form* (Exhibit 3-B.1)

REQUEST FOR PAYMENT FORM: PART 6

MDOC Certification:

- ◆ For MDOC use only

REQUEST FOR PAYMENT: DOCUMENTATION

◆ Exhibit 3-J: Project Progress Report

- Required with each draw request
- Written narrative on activities that have occurred relating to Match, Soft Cost Activity, Project Activity and Program Income

REQUEST FOR PAYMENT: DOCUMENTATION

- Exhibit 3-F: Summary of Project Expenditures (optional)
  - May be used in lieu of submitting copies of bills & invoices with the *Request for Payment* form for soft & project costs
    - Must keep copies of bills & invoices for review during the on-site monitoring
  - Must still submit required documentation for each project as listed in Exhibit 3-A

REQUEST FOR PAYMENT: DOCUMENTATION

- Checklists – "Submit with Payment Requests"
  - Homebuyer Assistance–<u>NO</u> rehab
    - Exhibit 3-A.1
  - Homebuyer Assistance–<u>WITH</u> rehab
    - Exhibit 3-A.2
  - Homeowner Rehab
    - Exhibit 3-A.3

PROJECT COMPLETION

- ◆ Completion Report
- ◆ Monitoring
- ◆ Close-out

COMPLETION REPORT

- ◆ Homebuyer Assistance
  - ■ Exhibit 3-K
    - ● Complete pages 2-3

- ◆ Homeowner Rehab
  - ■ Exhibit 3-L
    - ● Complete pages 2-3

COMPLETION REPORT DOCUMENTATION

◆ Checklists – "Submit with Completion Report"

- Homebuyer Assistance–<u>NO</u> rehab
  - Exhibit 3-A.1
- Homebuyer Assistance–<u>WITH</u> rehab
  - Exhibit 3-A.2
- Homeowner Rehab
  - Exhibit 3-A.3

PROJECT MONITORING

- ◆ Entity will be monitored at least once each program year (April 1–March 31)

- ◆ Exhibit 10-A: Program Monitoring Guide
  - See Exhibits 3-A.1 thru 3-A.3 for documentation to "Retain in Client Files" and to "Retain in HOME Project Files"

MONITORING DURING THE PERIOD OF AFFORDABILITY

◆ <u>Period of Affordability</u>:

- Homebuyer Assistance (investment/unit)
  - Under $15,000 per unit: 5 years
  - $15,000 - $40,000 per unit: 10 years
  - Over $40,000 per unit: 15 years
- Homeowner Rehab
  - No required period of affordability, but grantees are encouraged implement one

MONITORING DURING THE PERIOD OF AFFORDABILITY

Homebuyer Assistance
- Annual certification & form to be completed & signed (Exhibit 10-B.1)
  - Must certify whether or not
    - Any homes sold since previous certification
    - Owner continues to use the home as principal residence
  - Change in ownership of the property: must certify the proper resale or recapture provisions were met

ON-GOING MONITORING

Homeowner Rehab

- ◆ No ongoing monitoring requirements
- ◆ If potential to generate program income, quarterly reporting required

CLOSE OUT

- ◆ Formal project closeout will occur at the end of the current contract period
- ◆ Re-evaluate this as the program progresses
- ◆ Some changes to the closeout forms will be made